



NEWS RELEASE

OFFICE OF THE UNITED STATES ATTORNEY
WESTERN DISTRICT OF MISSOURI

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FOR IMMEDIATE RELEASE

KC MAN INDICTED FOR FILING FALSE TAX RETURN

KANSAS CITY, Mo. – Todd P. Graves, United States Attorney for the Western District of Missouri, announced that a Kansas City, Mo., man was indicted by a federal grand jury today for filing a false tax return.

Donald Ray Hannah, 48, of Kansas City, was charged with filing a false tax return by failing to claim more than \$1.5 million in taxable income in an indictment returned by a federal grand jury in Kansas City.

The federal indictment alleges that **Hannah** failed to report as income on his individual income tax return approximately \$1,559,056 of long-term capital gain received by Millstone Waterways, Inc.

Millstone is a subchapter S corporation wholly owned by **Hannah**. **Hannah** knew the long-term capital gain was required to be reported by Millstone as capital gain and not deferred gain, the indictment alleges, and passed through from the corporation to his individual income tax return as capital gain and income.

Graves cautioned that the charge contained in the indictment is simply an accusation, and not evidence of guilt. Evidence supporting the charge must be presented to a federal trial jury, whose duty is to determine guilt or innocence.

This case is being prosecuted by Assistant U.S. Attorney Frances Reddis. It was investigated by the Internal Revenue Service - Criminal Investigations.

This news release, as well as additional information about the office of the United States Attorney for the Western District of Missouri, is available on-line at

www.usdoj.gov/usao/mow